

FISCAL NOTE
SB 3179 - HB 3151

February 23, 2004

SUMMARY OF BILL: Specifies that no unincorporated territory shall be incorporated if it contains less than 1,000 residents, the nearest municipality has a population greater than 10,000, and any part of the territory is in the urban growth boundary of an existing municipality in the county in which such territory seeks incorporation. Specifies that no unincorporated territory within three miles of an existing municipality having a population greater than 10,000 can be incorporated. Under current law the incorporation of territory within three miles of an existing municipality is prohibited with no stipulation on the population of such municipality. Authorizes incorporation of territory with less than 1,500 people in accordance with the provisions of the bill. Under current law no unincorporated territory with less than 1,500 can be incorporated.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Revenues - Exceeds \$100,000 / Permissive
Increase Local Govt. Expenditures - Exceeds \$100,000 / Permissive

Decrease Local Govt. Revenues - Exceeds \$100,000
Decrease Local Govt. Expenditures - Less than \$100,000

Estimate assumes to the extent a municipality incorporates under the provisions of the bill that could not under current law:

- the newly incorporated municipality will experience an increase in revenues from property taxes and state shared taxes estimated to exceed \$100,000.
- the newly incorporated municipality will experience an increase in expenditures for the costs of providing services within the municipality estimated to exceed \$100,000.
- the county where the previously unincorporated territory is located will experience a decrease in revenues. The amount will depend on the number and type of businesses in the newly incorporated area but is estimated to exceed \$100,000.
- other local governments will experience a decrease in revenues from state shared taxes going to the newly incorporated municipality estimated to exceed \$100,000.
- the county where the previously unincorporated territory is located will experience a decrease in expenditures for some services that will instead be provided by the municipality. This decrease is estimated to be less than \$100,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director